Congress of the United States Washington, DC 20515

July 13, 2005

The Honorable Dennis Hastert Speaker, House of Representatives H-232, the Capitol Washington, DC 20515

The Honorable Nancy Pelosi Minority Leader, House of Representatives H-204, the Capitol Washington, DC 20515

Dear Speaker Hastert and Minority Leader Pelosi:

As the House Appropriations Committee begins its work on the Fiscal Year (FY) 2006 Department of Interior, Environment and Related Agencies Appropriations Conference Report, we wish to draw your attention to an item of vital importance to the hundreds of western and rural counties we represent.

As you know, the Payment in Lieu of Taxes (PILT) program provides payments to counties and other local governments to offset losses in tax revenues due to the presence of substantial acreage of federal land in their jurisdictions. Since local governments are unable to tax the property values or products derived from federal lands, these payments are essential to support vital community services such as schools, firefighting, police protection, transportation infrastructure, and providing healthcare in rural communities. This program is extremely important to our rural communities because the vast majority of federal lands are located in rural and western America.

We are deeply aware of the limitations presented by our current fiscal situation. Indeed, it is important to note that many of us have supported offsets in Interior and Related Agency spending to pay for PILT increases. However, we remain firm in our belief that the federal government has a responsibility to help support communities in areas where the federal government owns land, thereby denying it to the local tax base.

The House of Representatives demonstrated resounding support for this program when it agreed by voice vote to fund PILT at \$242 million in the FY 2006 Interior Appropriations Bill. Although we continue to advocate funding the PILT program at its fully authorized level, at this point in time we recognize that might not be feasible. For this reason we respectfully request that you do everything possible to ensure that the conferees fund PILT at the highest level possible - at least that of the House–passed appropriations bill - during negotiations with the Senate. This will demonstrate a commitment to the local communities and counties that depend on these funds, and begin the long-overdue process of fairly and accurately compensating local governments that have federal lands within their boundaries.

Thank you for your consideration of this important request.

Sincerely



Congressman Bob Beaupyez Congressman Jim Marshall grave Heil Cheveron Congressman Neil Abercrombie Marelyn Wasgrave (Congresswoman Marilyn Musgrave (Congressman Mike Thompson Congressman Bernard Sanders Congressman Bart Stupak Congressman Dennis Cardoza Congressman Raul Grijalva Congressman Tom Tancredo Congressman Doc Hastings Congressman Darrell Issa

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Tom Lantos Congressman Tom Lantos	Congressman James Oberstar
Congresswoman Jo Ann Emerson	Congressworman Shelley Berkley

ongressman John Duncan

Congressman Jim Costa

Congressman Earl Blumenaur

Honorable Jerry Lewis, Chairman, Committee on Appropriations CC: Honorable David Obey, Ranking Member, Committee on Appropriations Honorable Charles Taylor, Chairman, Subcommittee on Interior, Environment, and Related Agencies Honorable Norman Dicks, Ranking Member, Subcommittee on Interior, Environment, and Related Agencies